#### MINUTES ADOPTED BY CITY COUNCIL

Greenville, NC September 20, 2005

The Greenville City Council and Greenville Utilities Commission met in joint meeting on the above date at 6:00 PM in the Board Room of the Greenville Utilities Commission Building, with Mayor Parrott and Chairman Powell presiding. The following were present.

## **City Council Members**

Mayor Robert D. Parrott
Mayor Pro-Tem Ric Miller
Council Member Mildred A. Council
Council Member Ray Craft
Council Member Pat Dunn
Council Member Rose H. Glover (via telephone)
Council Member Chip Little

## **Commission Members**

Chairman Wayne Powell Vice-Chairman Bryant Kittrell Commissioner Wayne Bowers Commissioner Lester Brown Commissioner Lynn Evans Commissioner Faye Taylor Commissioner Charles Weeks Commissioner Louis Zincone

### CALL TO ORDER

Mayor Parrott called the City Council to order and ascertained that a quorum was present.

Chairman Powell called the Greenville Utilities Commissioners to order and ascertained that a quorum was present.

## APPROVAL OF AGENDA

Motion was made by Mayor Pro-Tem Miller and seconded by Council Member Dunn to approve the agenda as presented. Motion carried unanimously.

Motion was made by Commissioner Evans and seconded by Vice-Chairman Kittrell to approve the agenda as presented. Motion carried unanimously.

# JOINT CITY/GREENVILLE UTILITIES COMMISSION PAY AND BENEFITS COMMITTEE RECOMMENDATIONS FOR HEALTH INSURANCE

General Manager Ron Elks stated that the Joint City/Greenville Utilities Commission Pay and Benefits Committee consists of Council Members Dunn and Glover and Commissioners Taylor and Brown. City Manager Wayne Bowers, Greenville Utilities Commission General Manager Ron Elks, City Human Resources Director Gerry Case and Greenville Utilities Commission's Interim Human Resources Manager Susan Phillips provide staff assistance. The Committee unanimously recommends renewal of the CIGNA contract for health insurance services beginning January 1, 2006, with a renewal rate increase of five percent and with no change in benefit levels. Funds to cover a twelve percent increase were included in the FY 05-06 budgets for both organizations. The relatively low increase for 2006 is primarily due to the excellent medical cost ratio, which is partially offsetting rising health care trends. The 2005 renewals included a 9.44 percent rate increase with several reductions in benefit levels.

City Manager Wayne Bowers referred Council and the Commission to the CIGNA rate information they were provided, reminding them that the premiums paid by employees are broken into four classes as follows:

Class I Less than \$29,103 annualized base salary as of January 1, 2006

Class II \$29,103 to \$42,331 base salary Class III \$42,331 to \$55,560 base salary Class IV \$55,560 base salary and above

City Manager Bowers further stated that at the request of the Committee, a survey was done to determine why some employees do not obtain dependent coverage. In most of the cases, the employees do not have a spouse or family. The Committee also discussed disability insurance for employees who do not qualify because of not being vested in the retirement system. The Committee requested that this information be brought back to the Council and Commission when the research is completed. This item is still being discussed.

Motion was made by Council Member Little and seconded by Council Member Craft to approve the recommendations of the FY 2005-2006 City/Greenville Utilities Commission Pay and Benefits Committee to renew the CIGNA contract for health insurance services beginning January 1, 2006, with a renewal rate increase of five percent and with no change in benefit levels. Motion carried unanimously.

Motion was made by Commissioner Weeks and seconded by Commissioner Brown to approve the recommendations of the FY 2005-2006 City/Greenville Utilities Commission Pay and Benefits Committee to renew the CIGNA contract for health insurance services beginning January 1, 2006, with a renewal rate increase of five percent and with no change in benefit levels. Motion carried unanimously.

Council Member Glover, via telephone, asked that the compression salary issue of City employees be looked at. Another issue is that people at the bottom are not moving. They need to look at why the City has a problem and Greenville Utilities does not.

City Manager Bowers stated that \$90,000 has been appropriated to address that in the 2005-06 budget. Staff is scheduled to bring back an actual plan to address it in the future.

Council Member Glover stated that she wants to make sure that people in that category will benefit. They need to have classes on how to budget money, etc. for employees.

## **ADJOURN**

There being no further business to discuss, motion was made by Council Member Craft and seconded by Mayor Pro-Tem Miller to adjourn the meeting at 6:10 p.m. Motion carried unanimously.

There being no further business to discuss, motion was made by Commissioner Brown and seconded by Commissioner Taylor to adjourn the meeting at 6:10 p.m. Motion carried unanimously.

Respectfully submitted,

Wanda T. Elks, MMC City Clerk